

MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

December 2002

DATA SYSTEMS & ANALYSIS

Data Base and Application Development

Maryland Long-Term Care Survey

The deadline for completing the 2001 Maryland Long Term Care Survey is December 19th. As of the 12th of December, 108 of 720 facilities had not completed the survey. Sixty-six comprehensive care nursing homes have not reported. Information from comprehensive care facilities is needed for the January update of the Nursing Home Evaluation Guide. The staff is taking necessary action to ensure that noncompliant facilities submit reports as soon as possible. The Commission has the authority to fine facilities \$100 a day for non-compliance.

2001 LONG TERM CARE SURVEY TRACKING 12/12/2002						Start Date		10/21/2002
						Days Left		7
						Ending Date		12/19/2002
Tracking	All	Comp	Assisted	Comp/Assist	Adult	Extended	Subacute	Chronic
Not Started	108 15 %	5 2 %	85 26 %	0 0 %	18 15 %	0 0 %	0 0 %	0 0 %
In Progress	199 28 %	61 29 %	95 29 %	11 61 %	22 18 %	0 0 %	8 40 %	2 33 %
Completed and Under Review	32 5 %	18 9 %	4 1 %	1 6 %	6 5 %	0 0 %	2 10 %	1 17 %
Rejected and Being Corrected	39 6 %	6 3 %	19 6 %	2 11 %	7 6 %	2 67 %	3 15 %	0 0 %
Corrected and Under Review	9 1 %	3 % 1	4 1 %	0 0 %	2 2 %	0 0 %	0 0 %	0 0 %
Completed and Accepted	313 45 %	114 55 %	118 36 %	4 22 %	66 55 %	1 33 %	7 35 %	3 50 %
Total Surveyed	700	207	325	18	121	3	20	6
Exempted	20	1	17	1	1	0	0	0
Total LTC Facilities	720	208	342	19	122	3	20	6

Medical Care Data Base 2001 Collection: Encounter and Prescription Drug Components

The data base contractor, Social and Scientific Systems (SSS) of Bethesda, Maryland, completed its editing process in December. The quality of the information reported by payers appears to have improved significantly from 2000. Although further analysis could uncover additional problems, many of the remaining smaller payers made progress in the areas of procedure coding

and designation of physician specialty. Nonetheless, physician specialty designation remains a significant problem in that these designations are not consistent among payers.

Cost and Quality Analysis

Commission staff is preparing the report, *State Health Care Expenditures 2001* for release at the January meeting. The report will show accelerating growth in expenditures for all payers with overall growth above 11 percent. Most provider categories will show strong growth in 2001 with prescription drugs and outpatient hospital spending leading the way. The staff will significantly modify the organization of the report this year. The initial report will present SHEA information in a "just the facts" format. The report will contain a short explanatory section that highlights the most significant results. The remainder of the report will contain tables and charts that spotlight aspects of the SHEA in a chart book format. Later in the winter, the MHCC will release several smaller issue brief reports examining issues of importance to the Commission and state health policymakers in more detail.

The Commission staff has conducted a preliminary review of the task order on emergency room use. Project Hope is conducting this analysis and we intend to have the results to the Commission at the February meeting.

EDI Programs and Payer Compliance

Electronic Health Network Accreditation

MHCC staff reviewed MHCC certification with PassPort Health, a claims clearinghouse targeting hospital transactions. PassPort Health is especially interested in working with Medicaid in setting up an electronic eligibility verification system for hospitals. Passport Health is a closely held EHN based in Nashville, Tennessee that has made steady growth in developing an Internet-based product since 2000.

MHCC staff provided consultative support to Software Unlimited relating to HIPAA's transaction and code set standards. Software Unlimited is a practice manager vendor that sells aggressively in the small practice market. This organization is evaluating the HIPAA Implementation Guides to determine whether or not they will implement X12 requirements or rely upon their contracted claims clearinghouse for conversion services.

HIPAA Education and Awareness

Staff has been informed that the long-awaited security regulations have been delayed yet again. Scheduled release is now set for early 2003. Most observers believe the security regulations will generate considerable outcry, especially among the provider community. Preliminary plans are being developed to hold a number of regional seminars this spring on these regulations.

During November and early December, staff continued to provide support to organizations on HIPAA compliance. Staff completed a variety of activities, including presenting at HIPAA awareness meetings, consulting on HIPAA compliance tools, and assisting organizations in developing HIPAA programs.

- Assisted the National Association of Social Workers in developing a series of HIPAA presentations.
- Presented on HIPAA at the Southern Maryland Dental Association -- approximately 120 dentists were in attendance.

- Worked with Union Memorial Hospital's Medical Director to provide physicians on staff with an overview of the HIPAA requirements.
- Presented on HIPAA's privacy requirements at a regional chiropractor conference in Frederick. Approximately 40 chiropractors attended the meeting.
- Assisted the Maryland Ambulatory Surgical Association leadership in developing an Ambulatory Surgical HIPAA conference. Approximately 175 medical office staff and physicians attended the event.
- Presented on HIPAA to Western Maryland EPIC Pharmacies. EPIC has scheduled a number of HIPAA overview presentations around the state.
- Provided support to the Chiropractic Association in developing a HIPAA gap assessment workshop at their semi-annual March conference. The Chiropractic Association frequently provides their members with HIPAA-related education material.
- Presented on HIPAA to the Hearing Society Conference in Hanover. The association leadership has asked staff to present on HIPAA at their annual conference in March.
- Conducted a workshop for office managers on completing a gap assessment at the Anne Arundel Medical Center. The presentation demonstrated steps in completing an office compliance assessment and developing policies and procedures. The Commission's "*A Guide To Privacy Readiness*" was used as the model for achieving compliance with the privacy regulations.
- Assisted the Giant pharmacies in locating a HIPAA consultant. Giant is interested in hiring a consultant to guide them through the HIPAA requirements.
- Reviewed HCPPro's HIPAA Compliance Tool for Physicians. Staff's verified the accuracy of the information contained in the guide.
- Presented on HIPAA to the medical staff at Holy Cross Hospital. Approximately 100 physicians and medical staff employees attended the presentation. Holy Cross has asked the Commission to conduct a series of mini-HIPAA in-services over the winter for all their medical support departments.
- Discussed the HIPAA requirements with Citibank and the possibility of combining resources on a series of HIPAA-related conferences. Citibank is considering requiring providers to demonstrate HIPAA compliance before granting a line of credit.
- Convened a round table discussion with practitioners from Salisbury to address HIPAA-related questions. The session was geared to addressing HIPAA implementation questions of providers. Approximately 50 providers attended the discussion.

PERFORMANCE & BENEFITS

Benefits and Analysis

Comprehensive Standard Health Benefit Plan (CSHBP)

At the November meeting, the Commission approved the proposed regulations to implement one change to the CSHBP, previously voted on at the October meeting: coverage for residential crisis services. The proposed regulations will be published in the *Maryland Register* in January for the 45-day comment period. The Commission will be asked to provide final approval of the regulations at the March 2003 meeting. Upon approval, this change will be implemented effective July 1, 2003.

Commission staff has developed a website to be used as a guide for small business owners in their search for health insurance for their employees. This "Guide to Purchasing Health

Insurance for Small Employers” is available on the Commission’s website (www.mhcc.state.md.us/smgrpmt/index.htm). Commission staff is in the process of developing a bookmark describing information available on the small group website. This bookmark will be presented to the General Assembly in January 2003.

The Maryland Insurance Administration (MIA) has issued regulations that alter the self-employed open enrollment periods in the small group market from twice per year to once per year (each December, beginning in 2002). Participating carriers have been advertising this open enrollment period in local newspapers throughout the month of December.

Evaluation of Mandated Health Insurance Services

At the November meeting, Mercer presented its evaluation of mandated health insurance services as to their fiscal, medical and social impact, along with all proposed mandates that failed during the 2002 General Assembly session to the Commission for release for public comment with Commission approval being required at the December meeting. The public comment period was open through December 13th. As of the date of this writing, no comments have been received. Upon approval, the final report will be sent to the General Assembly in January 2003.

Substantial Available and Affordable Coverage (SAAC)/High-Risk Pool (MHIP)

The General Assembly enacted and the Governor signed HB 1228 (this year) under which the SAAC program and the Short-Term Prescription Drug Subsidy Program will be replaced with the Maryland Health Insurance Plan Fund and Senior Prescription Drug Program. Both will be administered by the newly-created Maryland Health Insurance Plan (MHIP), an independent agency within the MIA. The Executive Director of the MHCC is a member of the Board. The MHIP Fund is financed through a proportionate assessment on hospital net patient revenue that would equal the CY 2002 SAAC funding. The new program is required to be operational on July 1, 2003, and hospitals must begin paying the assessment as of April 1, 2003 in order to fund the start-up. The MHIP Board is responsible for running the programs. Carriers must report to the MIA the number of applications for medically underwritten individual policies that they have declined. The Senior Prescription Drug Program is funded through enrollee premiums and a subsidy by a nonprofit health service plan (CareFirst) not to exceed its premium tax exemption. The MHCC is no longer responsible for developing the benefit plan. The MIA requires CareFirst (Maryland and D.C.) to have the last SAAC open enrollment in December 2002. CareFirst has been advertising this open enrollment period in local newspapers throughout the month of December.

Legislative and Special Projects

Nursing Home Report Card

Chapter 382 (SB 740) of 1999 requires the Commission, in consultation with the Department of Health and Mental Hygiene and the Department of Aging, to develop a system to comparatively evaluate the quality of care and performance of nursing facilities. The web-based Nursing Home Performance Evaluation Guide is available through the Commission’s website. The Guide includes a Deficiency Information page, data from the Minimum Data Set (MDS) and the MHCC Long Term Survey, as well as an advanced search capability, allowing consumers to search by facility characteristics and certain services.

As part of the mandate, the Commission is required to explore the feasibility of collecting patient and/or family satisfaction data similar to what is collected in the Commission’s HMO report card.

Commission staff is currently reviewing resident and family satisfaction instruments used by various states and national organizations. A survey designed to collect information on satisfaction instruments will be distributed to Maryland nursing facilities early next year.

The national rollout of the CMS Nursing Home Quality Initiative took place on November 12, 2002. Seven of the 10 quality measures reported on the Centers for Medicare and Medicaid Services (CMS) website will be featured on the Maryland Guide in the same format as the current Quality Indicators are, utilizing the symbols that separate the top 20%, bottom 10% and all others. CMS is reporting two new measures and one revised measure that are risk-adjusted using a Facility Adjustment Profile (FAP). Two of these measures are currently featured on the Guide without the FAP (Prevalence of Stage 1-4 pressure ulcers for chronic care and Failure to improve/manage delirium for post acute care). The Nursing Home Steering Committee unanimously agreed to not feature those measures with the FAP.

The Commission participated in the CMS pilot program with five other states from April through early November 2002. The pilot quality measure “weight loss” failed validity testing and is being dropped from the national rollout.

Hospital/Ambulatory Surgical Facility Report Card

Chapter 657 (HB 705) of 1999 requires the Commission to develop similar performance reports on hospitals and ambulatory surgical facilities (ASFs). The required progress report has been forwarded to the General Assembly. The Commission has contracted with the Delmarva Foundation, in partnership with Abt Associates, to: (1) analyze hospital data to develop appropriate indicators for inclusion in the Hospital Performance Evaluation Guide, and (2) design and execute a consumer-oriented website for the Guide. The initial version of the Hospital Performance Evaluation Guide was unveiled at a press conference on January 31st.

The first iteration of the Hospital Guide features structural (descriptive) information and the frequency, risk-adjusted length-of-stay, and risk-adjusted readmissions rates for 33 high volume hospital procedures (diagnosis related groups or DRGs). Data for those facilities with less than 20 discharges per DRG in the reporting period are not presented.

DRG data was recently updated in the Hospital Guide to include admissions occurring between December 1, 2000 and November 30, 2001. Three DRGs that were featured previously are not included due to the small number of hospitals that had 20 or more discharges per DRG. Readmission rates for circulatory system diseases and disorders are featured. The formula used to calculate the readmission rates for all DRGs was altered to better define transfers to other hospitals and excludes “planned” readmissions.

Data collection for the two core measure sets (Congestive Heart Failure and Pneumonia) under the Joint Commission on the Accreditation of Healthcare Organization’s (JCAHO) ORYX initiative has begun. Data has been gathered on a pilot, or test, basis for the first and second quarters of 2002. Each hospital’s information for Quarter One of 2002, along with the state average, is currently available for that particular hospital. The Delmarva Foundation, our contractor for this data collection effort, has been working with the hospitals and ORYX measurement instrument vendors to provide technical assistance for the logistics of transmitting the data and to assist the hospital personnel in understanding the specifications for collecting the data. Data gathered between July and December 2002 (Quarters 3 and 4) will be made publicly available in the second iteration of the Hospital Guide in Spring 2003.

A separate guide is being developed for the ambulatory surgical facilities (ASFs). It is anticipated that the ASF Consumer Guide will be made public in early 2003.

Recently, the Delmarva Foundation was awarded the 'lead state' to head a three-state hospital public reporting pilot project initiated by CMS. Delmarva will assist CMS with the following:

- Test the collection and reporting of the JCAHO/CMS performance measure sets;
- Test the AHRQ sponsored standardized patient experience (satisfaction) survey;
- Test additional performance measures as determined by the pilot states;
- Determine the least burdensome ways for hospitals to meet upcoming public reporting requirements;
- Determine how to integrate CMS mandated reporting with existing state level public reporting activities; and
- Determine how to best involve stakeholders in the development and execution of hospital public reporting activities.

Delmarva has requested that the Hospital Report Card Steering Committee serve as the steering committee for the pilot. The Committee will be the primary vehicle for obtaining input and consensus prior to initiating the state specific activities. The steering committee will also be tasked with providing feedback to CMS on the pilot and identifying barriers to successful implementation.

CMS has stated that they intend to expand the initiative to include hospitals nationwide in 2004 or 2005. The pilot projects will be funded through the Quality Improvement Organization (QIO) for the states chosen for the pilot.

Uninsured Project

DHMH, in collaboration with MHCC and the Johns Hopkins School of Public Health, was recently awarded a \$1.2 million State Planning Grant by the Health Resources and Services Administration (HRSA). HRSA is the federal agency that oversees programs to ensure access to care and improve quality of care for vulnerable populations. The one-year federal grant provides Maryland with substantial resources to examine the State's uninsured population and employer-based insurance market and to develop new models to make comprehensive health insurance coverage fully accessible to all Maryland residents.

Among the several activities, the one year grant will enable DHMH and MHCC to conduct further analysis of existing quantitative data sources (Maryland Health Insurance Coverage Survey, MEPS-IC, and CPS), as well as collect additional data that will help us design more effective expansion options for specific target groups. In addition, we will be conducting focus groups with employers in order to better understand the characteristics of firms not currently participating in the state's small group market. For those firms currently participating in the CSHBP, issues will be probed relating to costs of coverage and knowledge of the base CSHBP. In an effort to increase the take-up rate in the small group market, marketing materials will be presented to the focus groups for review and modification. Shugoll Research has been selected as the vendor to conduct these focus groups beginning in January 2003.

This Grant will also fund focus groups for select segments of the uninsured respondents from the Maryland Health Insurance Coverage Survey. A report to the Secretary of the Department of Health and Human Services is due at the end of the grant period (June 30, 2003). The report must outline an action plan to continue improving access to insurance coverage in Maryland.

Patient Safety

Chapter 318 (HB 1274) of 2001 requires the Commission, in consultation with DHMH, to study the feasibility of developing a system for reducing preventable adverse medical events. A Maryland Patient Safety Coalition was initiated by the Delmarva Foundation and, at this time, is serving as the Commission's sounding board for its activities related to patient safety. Three workgroups were formed: one to look at issues related to systems changes to be recommended; one to address current regulatory oversight and reporting requirements; and a third to discuss issues related to a proposed Patient Safety Center.

A preliminary report, approved by the Commission at the December 2001 meeting, was sent to the General Assembly. One of the preliminary recommendations has been enacted by the General Assembly and signed by the Governor. That bill removes the medical review committee statute that applies to all health care practitioners from the BPQA statute, where it is currently codified, and places it in a separate subtitle within the Health Occupations Article to make practitioners more aware of the protections available to them. It also codifies case law to clarify that certain good faith communications designed to lead to remedial action are protected even when they are not made directly to a medical review committee or committee member, but are nevertheless designed to remedy a problem under the jurisdiction of a medical review committee. A draft of the final report has been forwarded to the Coalition members for comment. This report will be presented to the Commission for approval at the December public meeting.

Commission staff, along with the University of Maryland Office of Research and Development, LogiQ (a non-profit research entity affiliated with the Maryland Hospital Association) and the Delmarva Foundation recently submitted a proposal for a federal grant that would fund the creation of a Patient Safety Center. The grant proposal was submitted October 1, 2002.

HMO Quality and Performance

Distribution of 2002 HMO Publications – began Sept. 23, 2002

Cumulative distribution - beginning with release of each publication	9/23/02 –11/30/02	
	Paper	Electronic/ Web
<i>The 2002 Consumer Guide to Maryland HMOs & POS Plans</i> (25,000 printed)	20,167	Interactive version Visitor sessions =
		pdf versions Visitor sessions =
<i>2002 Comprehensive Performance Report: Commercial HMOs & Their POS Plans in Maryland</i> (700 printed)	508	Visitor sessions =
<i>The 2002 Guide to Maryland HMOs & POS Plans for State Employee</i> (60,000 printed)	60,000	Visitor sessions =

2001 Policy Report – distribution continues until Jan. 2003

<i>Policy Report on Maryland Commercial HMOs: The Quality of Managed Care</i> (1,500 printed)	1,170	Visitor sessions =
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2002 Distribution of Publications

Distribution of the new series of publications has increased slightly this year compared to this same period last year. As indicated previously, supplies of the Consumer Guide were depleted by late October and a reprinting was requested. Delivery of 5,000 additional copies were received in November allowing staff to continue providing hard copies of the publication to requestors without delay. The majority of requests came from individual consumers, while businesses interested in supplemental open enrollment materials accounted for the majority of copies distributed in November.

Statistics for web-based versions of the HMO performance reports do not appear in this update. Data continue to undergo review by staff for accuracy and comparability to historic use of these electronic publications.

2003 Performance Reporting (CAHPS Survey and Audit of HEDIS Data)

In preparation for the new audit season, division staff met with key personnel from HealthcareData.com (HDC), the firm responsible for conducting audit activities in 2003. The pre-audit meeting facilitated essential discussion about issues that affected the audit process in 2002. Key issues included collection of urgent care data, deliverable due dates, and auditor assignments. MHCC agreed to rearrange the sequence of two deliverables to conform to the timing of audit related tasks. The vendor will receive a letter reflecting this change. Additionally, the framework for the December kick-off meeting was decided during this planning session.

MHCC hosted the annual December meeting on December 9th. All nine health plans had representatives in attendance. The CAHPS survey vendor, Market Facts, and HDC gave strong focus in their presentations to factors that impacted on results and caused costly delays in 2002. An interim review of data will be performed by HDC in early next spring with oversight by MHCC.

Staff revised the MHCC-specific questions which supplement the CAHPS survey, drafted a new survey questionnaire, and updated the associated correspondence. Several new replacement questions have been added to capture the subjective experience of members seeking urgently needed care. Collection tools for MHCC-specific clinical measures have been reformatted to reduce error or misinterpretation.

Report Development Contract/ Policy Report

HMO Quality & Performance staff have completed the final draft of the *Policy Report on Maryland Commercial HMOs & POS Plans* and submitted it to the designer. In developing this report, further analysis was given to how emergency department utilization was presented in the 2001 *Policy Report*. Previously, both public and private HMO programs were combined to form an overall percentage of visits by insurance type to Maryland's emergency departments. Staff revised the categorization to reflect utilization by commercial HMO enrollees separately from enrollees in traditional commercial plans, government sponsored programs (HMO and non-HMO), and the uninsured. This phase of the project is on schedule.

Recommendations on HMOs Required to Report and Measures to be Reported in 2003 and 2004

Recommendations of measures and HMOs that will be required to submit reports were presented during the November Commission meeting with the information posted subsequently on the MHCC website for public comment. Discussions with HDC and plans confirmed that acquiring the level of specificity originally sought in the collection of after-hours visits could not occur universally among plans. The staff recommendation to expand collection of visits to urgent care centers to all hours of operation will increase the validity of data reported by plans in 2003. Most plans weighed in during the public comment period supporting this modification to urgent care data collection. Several plans have also formally expressed opposition to the discontinuance of measure rotation. The principal basis for this objection is cost. A summary of comments will be presented during the December Commission meeting to complete staff recommendations for measures in 2003 and 2004.

CareFirst requested that the Commission reconsider its decision denying FreeState Health Plan an exemption from reporting 2003 HEDIS and CAHPS results. After taking into account newly available documentation provided by CareFirst from the MIA, which demonstrated that approval had been granted for the merger of FreeState Health Plan into CareFirst BlueChoice, MHCC reversed its decision and granted the waiver. Nine plans will report their performance results in 2003.

HEALTH RESOURCES

Certificate of Need

During November, staff issued a total of twenty-four determinations of coverage by Certificate of Need review, two of which found that the proposed action require Certificate of Need approval by the Commission.

Nine of the November 2002 determinations responded to notices of changes in ownership of existing health care facilities or services; seven of the nine notices involved changes to transactions about which the Commission had previously received notice: in June 2002, staff reviewed and responded to proposed acquisitions of nursing facilities owned by Millennium Health and Rehabilitation Centers in several Maryland jurisdictions by a Maryland limited liability company formed by a Pennsylvania-based entity, Trans Healthcare, Inc., (THI). Representatives of THI notified the Commission that six of the transactions in question will now be funded by a real estate investment trust, and the seventh facility will be acquired by a different entity, Ventas, Inc., and managed by a THI affiliate. THI sought and received confirmation that the changes do not change the original determination of non-coverage.

The Commission received notice of two other planned acquisitions during November 2002, neither of which required CON approval: one was a proposed change in the ownership group of an existing podiatric surgery center with a single procedure room located in Beltsville, and the other was the acquisition of 32 nursing homes beds formerly operated at Augsburg Lutheran Village by LifeBridge Health, for eventual implementation in the system's planned replacement of its Levindale nursing facility on land formerly part of the Rosewood Center in northwest Baltimore County. Another determination of non-coverage responded to a notice of a change in the ownership group of an existing ambulatory surgical facility in Anne Arundel County.

Staff issued four determinations related to proposed capital expenditures, one of which will require Certificate of Need review and approval. Chestertown Nursing and Rehabilitation Center received a determination that its proposed \$950,000 project to add more assisted living units – not regulated by CON – does not exceed the capital review threshold. Two hospitals also submitted requests for determinations of non-coverage. Dorchester General Hospital's proposed renovation of its Intensive Care Unit and telemetry center, at a cost of \$1.23 million, is below the current inflation-adjustment threshold of \$1.5 million. Anne Arundel Medical Center's ("AAMC") proposed expenditure of \$5.8 million to construct space to accommodate up to 26 additional acute care beds required confirmation by the Health Services Cost Review Commission that AAMC can financially support its commitment not to raise rates beyond the level permitted in statute, to finance the project. HSCRC staff confirmed AAMC's ability to fund its project without a rate increase, and AAMC noted its intention to license only the additional 16 beds authorized by the Commission's annual recalculation of licensed bed capacity in July 2002. The fourth determination related to proposed capital expenditures issued during November received the determination that CON review and approval is required: Greenbelt Nursing Center, closed since January 1999 in part because of its inadequate and outdated physical plant, plans to invest \$4.6 million in a major construction and renovation project. Because both the Office of Health Care Quality and the Prince George's County Division of Environmental Health advised staff that the facility could not comply with patient health and safety requirements without these significant improvements, staff found all costs to be "directly related to patient care," and therefore to require Greenbelt to seek a Certificate of Need.

Six determinations of coverage issued during November involved proposed changes in licensed bed capacity; one of these found the proposed change to require CON review and approval. While never delicensed, eleven child and adolescent psychiatry beds at Sheppard Pratt Hospital had been out of operation, pending the approval first by the Medical Assistance Program and then by HSCRC of a special reimbursement rate to support the care of adolescents with co-occurring developmental disabilities. Sheppard Pratt notified the Commission that it was poised to receive HSCRC's approval of Medicaid's proposed new rate, and that it will return this bed capacity to active operation. Three actions related to the authorized bed capacity of comprehensive or extended care facilities, two of them relicensures of previously-delicensed beds, also received determinations of non-coverage. However, the announced intention of the University Specialty Hospital (formerly Deaton Specialty Hospital and Home) to relinquish its remaining 80 nursing home beds, part of a 194-bed nursing facility out of service since June 2001, triggers the requirement for Commission review and approval as a permanent closure of a nursing facility. This is the same kind of action taken by the Commission in April 2000, after the closure of Church Nursing Center, after staff analyzed the impact of the closure on the affected service area, and its possible implications for the area's future need for nursing home beds.

Also during November 2002, staff issued determinations of non-coverage by CON review for three physician-office based centers proposing service capacity that does not meet the working

definition of “operating room,” and are therefore listed in the Ambulatory Surgery Provider Directory as having non-sterile procedure rooms. Finally, during this period staff also issued a determination that a proposed corporate restructuring undertaken by Hospice of Suburban Maryland, Inc. did not require CON review.

Acute and Ambulatory Care Services

All acute care hospitals were invited to participate in a workgroup to assist staff in evaluating written comments and possible responses to those comments on the draft of a revised State Health Plan chapter on acute inpatient services, COMAR 10.24.10. This draft plan chapter was released for informal public comment on September 20, 2002. This draft was posted on the Commission’s website and mailed to all Maryland acute care hospitals and other interested persons. The first meeting of this workgroup has not yet been scheduled, but is anticipated sometime in January.

Staff has completed an initial analysis of the survey of variations in hospital occupancy at peak census times. A meeting is scheduled with the Maryland Hospital Association on December 13, 2002 to discuss this analysis. Staff anticipates that this information will contribute to revisions to the State Health Plan chapter on acute inpatient services.

On November 22, 2002, staff met with representatives of Johns Hopkins Health System to discuss issues related to the hospital’s capital projects.

Long Term Care and Mental Health Services

Staff from the Long Term Care Unit attended the Innovations in Aging Advisory Council Meeting at the Maryland Department of Aging on December 3, 2002. This group has limited grant funds and is charged with identifying priority areas and setting criteria to review applications for innovations in aging services. Commission staff participates in these meetings since development of innovative aging projects was a policy stated in the *State Health Plan for Facilities and Services: Long Term Care Services*. Staff participated with the University of Maryland in its ongoing grant with the Horizon Foundation at a meeting on December 12, 2002.

The Long Term Care unit, in cooperation with staff from the Division of Data Systems and Analysis, developed a Bid Board Procurement that was released on November 21, 2002 with a response date of December 5, 2002. This procurement would advise the staff on the use of the Minimum Data Set (MDS) for use in creating data sets for planning and policy development. Staff is currently working to review responses received to this procurement notice.

Specialized Health Care Services

On Tuesday, December 10, 2002, the Maryland Health Care Commission held an exceptions hearing on the proposed decision on four applications to establish an open-heart surgery program in the Washington Metropolitan area of Maryland. Holy Cross Hospital, Shady Grove Adventist Hospital, Southern Maryland Hospital Center, and Suburban Hospital submitted Certificate of Need (CON) applications in September 2001. Dimensions Healthcare System and Washington Adventist Hospital filed as interested parties in this CON review. Applicants and interested parties presented oral arguments at the hearing. The Commission approved the CON application of Suburban Hospital to establish a cardiac surgery, research and training program.

The Cardiac Surgery Data Work Group of the Quality Measurement and Data Reporting Subcommittee of the Advisory Committee on Outcome Assessment in Cardiovascular Care held

its second meeting on November 26th. The Work Group discussed options for designing a Maryland quality improvement initiative for cardiac surgery services, and reached a consensus on key components, including data elements; data submission and management; organizational structure and governance, access to data; and funding. The December 11th meeting of the Quality Measurement and Data Reporting Subcommittee was cancelled because of inclement weather; the meeting to consider the draft recommendations of the Cardiac Surgery Data Work Group will be rescheduled.

The Long Term Issues Subcommittee of the Advisory Committee on Outcome Assessment in Cardiovascular Care scheduled its fifth meeting for 6:00 p.m. on December 12th. The subcommittee will receive a background briefing on cardiovascular disease in underserved populations.

The Steering Committee of the Advisory Committee on Outcome Assessment in Cardiovascular Care will meet at 6:00 p.m. on December 17th to hear reports on the subcommittees' progress to date and plan the remainder of the Advisory Committee's work. The Steering Committee will begin reviewing the status of the subcommittees' recommendations, including the process and schedule for developing final recommendations.